



STATE OF CONNECTICUT
OFFICE OF POLICY AND MANAGEMENT
Testimony of

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to the
Government Administration and Elections Committee
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H. B. 5520 AAC The Conveyance of Certain Parcels of State Land

Senator Slossberg, Representative Spallone and distinguished members of the GAE committee, thank you for the opportunity to testify on House Bill 5520 An Act Concerning the Conveyance of Certain Parcels of State Land.

Out of the 22 sections, OPM opposes 11 of them, we are neutral as to 7 of them and we offer information on the others. Essentially, we are for anything where the state gets fair market value and against anything where the state does not get fair market value. These properties belong to the taxpayers and they deserve a fair price.

One notable provision is the Seaside section (#18). Assuming that the intent of the legislation is that the State sell the property, the way the Seaside section is written has the potential to create significant problems which will leave us in a stalemate. We are generally supportive but it needs to be revised as indicated below.

The Plan for the Sale of State Assets, which OPM was required to write under Public Act 09-125, and which is necessary to carry out the enacted state budget, specifically stated in its Assumptions section that "Between the date this Plan is delivered to the legislature in accordance with the Public Act, no State owned properties will be transferred via a legislative "conveyance bill" unless the State receives fair market compensation and such transfer occurs prior to June 30, 2011."

Simply put, if the General Assembly is serious about raising revenue from the sale of state property, then you have to stop giving it away.

Our section-by section comments are as follow:

Section #1 – DOT to Bridgeport Port Authority (1.008 acres) – Oppose as it conveys the property for less than its fair market value.

Section #2 – CSU to 1454 East Street LLC in New Britain (0.16 acre easement) – While the State would receive fair market value, this proposed easement will complicate the plans of Central Connecticut State University. This easement will provide no benefit to the state, beyond

the revenue from its conveyance. It supplies a private land owner with the ability to develop an abutting parcel. This apparently may require the university to incorporate traffic from this development in any future development plan that the university may undertake since the State Traffic Commission will require the university to mitigate any cumulative traffic impacts.

Section #3 – DMHAS to Newington (30 acres of land at Cedar Ridge Hospital – aka Cedarcrest Hospital) –OPM requires additional information to evaluate this proposed conveyance. The State has plans to reuse this facility after it closes and the state has to be careful not to give away anything it may require later. In any case, nothing should be conveyed for less than its fair market value.

Section #4 – DOT to Greenwich (0.5 acres) – Oppose as it conveys the property for less than its fair market value.

Section #5 – DEP to Portland (1.83 acres) - Oppose as it conveys the property for less than its fair market value.

Section #6 – DOT to Sugar Hollow Builders in Danbury (2.35 acres) – Neutral since the State would receive fair market value.

Section #7 – DOT to Marlborough (0.46 acres) - Oppose as it conveys the property for less than its fair market value.

Section #8 – DOT to Friends of Post 53 in Darien (0.7219 acres) – Neutral since the State would receive fair market value.

Section #9 – DOT to Wallingford (0.593 acres) – Neutral since the State would receive fair market value.

Section #10 – DEP to Burlington (14.19 acres) - Oppose as it conveys the property for less than its fair market value.

Section #11 – DOT to Sheehan in Andover (11.3 acres) – Neutral since the State would receive fair market value.

Section #12 – DOT to Green in Andover (15 acres) - Neutral since the State would receive fair market value.

Section #13 – DOT to Yeomans in Andover (9.9 acres) - Neutral since the State would receive fair market value.

Section #14 – DOT to Simsbury (6.862 acres) - Oppose as it conveys the property for less than its fair market value.

Section #15 – DOT to Manchester (1.517 acres) - Oppose as it conveys the property for less than its fair market value.

Section #16 – DCF to Middletown (3.31 acres and 4 houses) - Oppose as it conveys the property for less than its fair market value.

Section #17 – DMHAS, DCF, Middletown and Middlesex Community College to DEP (conservation easement) - Support since the easement comes to the State.

Section #18 – DPW (Seaside) – Support with revision - This section is confusing. DPW already has the authority to sell the property and the legislature already has the authority to approve or reject it. The problem is that the language is very specific. If the fair market value was \$5 million, consider 3 scenarios (1) a single offer of \$4.95 million – would have to be rejected; and (2) an offer of \$5.1 million and an offer of \$5 million – the existing language would require us to accept the \$5 million and leave the other \$100,000 on the table; and (2) two offers of \$5 million each – who gets the property? As an alternative, we would suggest that it be changed to say that it cannot be sold for less than fair market value without legislative approval. We also suggest that the sale of Seaside be exempted from CGS 4b-47 which is the solicitation of public comments for the transfer of property. The decision to convey is essentially made by this section and it is not clear what purpose such comment would serve. As a matter of history, this proposed conveyance has probably had more comment than any other in the state's history.

Section #19 – DEP and Goodspeed Opera House – (exchange of lands) – Neutral since the exchange of lands is supposed to consist of properties with approximately equal value.

Section #20 – DOT to New Britain (0.06 acres) - Oppose as it conveys the property for less than its fair market value.

Section #21 – DOT to New Haven (no acres given) - Oppose as it conveys the property for less than its fair market value.

Section #22 – DEP to Town of Chaplin (3.21 acres and garage) - Oppose as it conveys the property for less than its fair market value.

We appreciate the opportunity to offer comment on this legislation.

